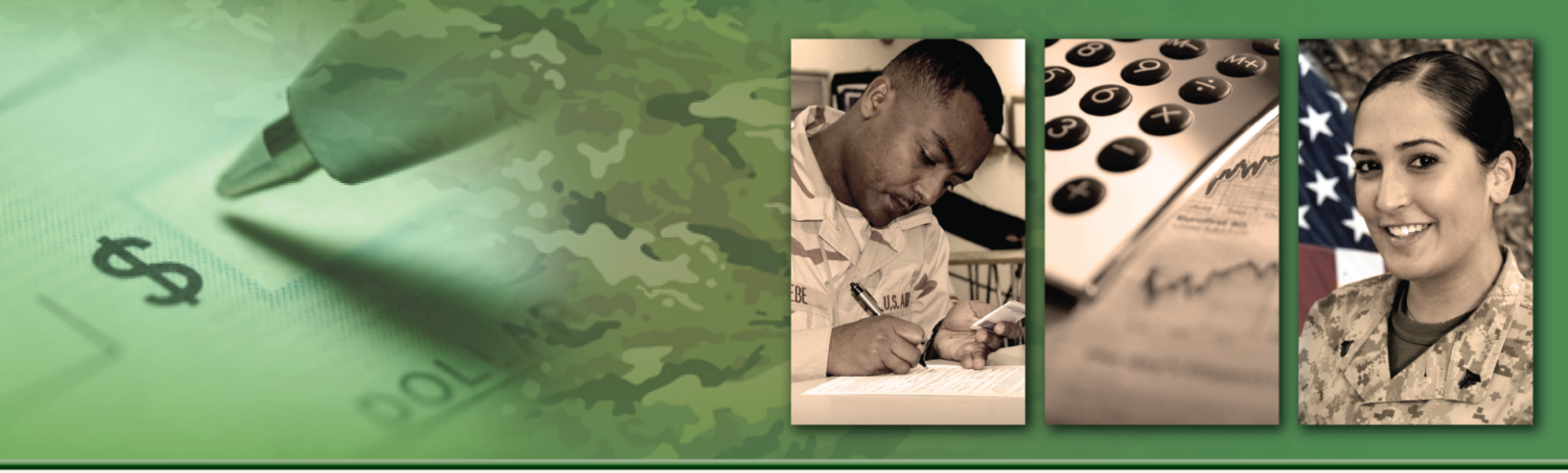

PFC Program

Simplifying Financial Concepts

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Simplifying Concepts

- Know the audience

- Simplify concepts
  - Use analogies they can relate to
  - Stick figures
  - Have a “toolkit” of props that help get the message across

Remember how you feel at tax time?

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Assess The Situation

- Where do you stand from a financial point of view?
- Analogy of treading water on a warm summer day
  - Water lapping around your ankle
  - Water rising up your legs
  - It is up to your knees and you are losing your balance
  - Up to your waste
  - F
  - ll circle, water is again by your

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Savings

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Debt

Memorable lesson on finance charges and paying off

debt

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Addressing debt

- List all debt
- List all balances
- List all items purchased
- Why did you make those purchases?
- Which ones make you say “Sure am glad I bought this?”

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Rule of 72

- How quickly can you double your money?
  - 72/interest rate
  - 72/12 = every 6 years
  - 72/24 = every 3 years ….. Does that happen?

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Money Management

- Spend a little, save and make your money grow.
  - Ice cream truck analogy
  - Save for emergencies as well as opportunities

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The Thrift Savings Plan

Pay yourself first

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Car Buying

- This now with current lifestyle

- Make sacrifices and save for this

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Live what you teach

- Feed your pig
  - Keep a jar in your office
  - Pull your own credit report
  - Go to the TSP website and use the tools
  - Be abreast of consumer issues
  - Make it real

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